The A. F. of L. Weekly News Service gives news accounts and editorial interpretations of matters affecting labor organizing in the industrial, legislative and judicial fields, and contains other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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WHOLE NO. 1590 — WILLIAM GREEN, President — WASHINGTON, D. C., TUESDAY, SEPTEMBER 30, 1941 — GEORGE MEANY, Secretary-Treasurer — VOL. 31, NO. 39

FACING the FACTS

With PHILIP PEARL

Seattle, Wash.—Coming back to an American Federation of Labor convention is like reunion week at the old school, only this is no gaudy university but the hard school of experience.

A friendly atmosphere pervades these conventions, a get-together spirit that unites all the delegates in common purpose and a mutual relationship. Without being sentimental about it, these men and women are glad to see each other again and they show it.

Since we flew in here, after a long trans-continental trip, we've met many of the old-timers again and made new friends among the younger delegates. And they've all got the same story to tell:

"Things are going swell."

For the time being complaints and disputes and rivalries are submerged in the general feeling of good fellowship. And, despite the heavy demands and sacrifices entailed by the national defense program, the workers of America are getting a break at last. Wages are higher, conditions are better and jobs are plentifully available. We see these good times reflected in the joyous greetings of the delegates.

What Everyone Wants To Know

But no one is forgetting for an instant that tougher times lie ahead—how much tougher none of us know. The delegates are keenly aware of the critical present and the dangerous future.

The war in Europe is on everyone's lips. "Will Russia be able to hold off Hitler over the winter" is the immediate question. "Will our Navy be forced into a shooting war with Nazi submarines?", the delegates ask us.

Because we come from Washington and are supposed to keep in touch with things, they think we know the answers. But all we know is this—that America will not get into this war until and unless it is forced upon us by Hitler.

We know that America is determined to do everything in its power to help the forces in Europe which are fighting Hitler. We know that America is against everything Hitler stands for. We know that our Government realizes that a Hitler conquest of Europe will mean calamity and eventual war for us.

As we say this, heads nod in rapid and approving assent. There is no question about the attitude of these representatives of American Federation of Labor unions. They are back of the Administration's foreign policy 100 per cent. They are for the national defense program 100 per cent. And they are against appeasement of Hitler 100 per cent.

Yet there are delegates—and a considerable number of them—who are disgruntled with the way the defense program's labor policy has been handled. They say that "we have been behaving and getting kicked around as a reward while the CIO has been raising Hell and getting everything they want to keep them quiet."

Greater Issues Are Involved

As they tell their stories, it grows quite clear that they have some provocation. The fine record made by the American Federation of Labor unions has not received the recognition it deserves. The occasional instance of some local union kicking over the traces gets all the headlines. It is difficult to keep membership in line and avoid strikes when the workers see CIO unions obtaining benefits by striking on defense jobs.

But, as we see it, greater issues are involved than an immediate wage increase or a better contract. If all of labor is going to get involved in a scramble to see which one can get the most while the defense program is allowed to suffer, we will all be in the soup. Public opinion will be mobilized against labor, anti-labor legislation will be adopted and many of the basic gains we've made in the last decade will go overboard.

As we see it, if the CIO wants to jeopardize its future and the nation's future let it go on a rampage. The American Federation of Labor knows better than to follow such a bad example. In the long run restraint will pay better dividends to labor than reckless selfishness.

The truth is that no one has more to lose than labor in a defeat of democracy. And no one will gain more than labor if totalitarianism is forever crushed. Let us not be stampeded into forgetting these fundamentals by an impatient desire to pick up a few extra benefits immediately.

All of this is not only our personal opinion but the settled conclusion of the great majority of the delegates as they assemble here on the eve of the sixty-first annual convention of the American Federation of Labor.

Morgenthau Asks Limit On Profits; Opposes Government Wage Ceilings

Washington, D. C.—Secretary of the Treasury Henry Morgenthau proposed that all corporations be allowed a return of only six per cent on their invested capital, with all profits above that amount going to the Government through 100 per cent taxation.

His proposal was made before the House Banking and Currency Committee in support of price-control legislation to curb inflation.

Secretary Morgenthau opposed wage ceilings, saying "labor is not a commodity, human beings are not property; and they should not be treated as such."

He said the price administrator should be given full authority over farm prices and favored "parity" for farmers rather than the 110 per cent of parity farm ceilings provided in the bill.

Restrictions on control of farm prices he termed "the worst defect of the bill," and he said farmers would be the "worst sufferers" from inflation hastened by unwary farm prices.

He strongly recommend that this inflexibility be removed—in the interest of the attack upon inflation, in the interest of the standard of living of our people and in the long-run interests of farmers as well."

At present corporations are allowed a return of eight per cent on invested capital up to $5,000,000 and seven per cent on the remainder. Profits above this return are taxed at rates ranging from 35 to 60 per cent —far from the 100 per cent confiscation proposed by Morgenthau.

He asserted that price-control is essential to avoid inflation and it would be costly to individuals and to the Government alike. He also opposed other taxes as conducive to the inflationary trend.

"If we are to be sure of victory in the fight against inflation, we must prepare further to increase taxes," he said. "We must be ready to extend the general controls over bank credits."

Morgenthau said the cost of pork chops typified the inflation threat.

"The housewife knows that pork chops were 29 cents a pound in January, were 30 in February, 31 in April, 32 in May, 35 in June, 37 in July, 38 in August and 41 at the moment—a total rise of 40 per cent in those nine months."

Allocate Part of Defense Orders To Small Plants, Green Demands

Washington, D. C.—President William Green of the American Federation of Labor, writing in the October issue of the American Federationist, has set forth ideas that organized labor is insistently demanding the allocation to small manufacturing plants of generous government orders for defense items.

"Labor demands that this course be followed as a matter of fundamental justice," Mr. Green declares in a signed editorial in the Federation's official organ.

Pointing out that small manufacturing plants are the backbone of workers than do the large corporations, Mr. Green warns that "a large number of machine tools, important factory spaces and millions of toilers face long idleness unless the policy of spreading defense production is made to work effectively."

The fact of President Green's editorial, which is headlined "Preserve Small Business," is as follows:

"Recent events on the high seas and the historic address of President Roosevelt on the night of September 11 have put the nation on a war basis. Defense production must be quickened and it must be greatly increased.

"Defense production already constitutes about one-fourth of the total industrial production. It is concentrated in a few areas and many business firms have been unable to obtain defense contracts and in many cases have been equally unable to continue getting materials necessary for production. Production is curtailed by the wide range of key materials withdrawn from civilian production for priorities, by the difficulty for these small business concerns to continue operating.

"Small business firms employ in the aggregate more persons than do the large corporations and millions of workers face long idleness unless the policy of spreading defense production is made to work effectively.

"With the last reorganization of the Defense Administration, a division of Contracts Distribution was established. It was given the power to write subcontracting requirements into defense contracts and to ignore lowest bidders in favor of contractors willing to help distribute contracts — which means distributing the work. Labor hopes this new agency will make the long expected effort to spread work so that not a machine or a worker shall be idle in this emergency.

"If this result is accomplished, it will be necessary to disregard price. The cost of converting the small establishments for defense production, higher administration and inspection costs and petty delays in new production costs are of little consequence in comparison with the saving of community production in time for military effectiveness and the preservation of national morale by the prevention of widespread unemployment.

"The long list of industries crippled or killed by priorities begins with aluminum. In March the American Federation of Labor warned the Defense Administration that widespread unemployment was imminent in aluminum producing areas unless civilian purposes. In July representatives of aluminum unions again came to Washington to make the same plea. Defense contracts be planned for their plants. In July technicians worked out plans to provide employment for the plants and reported to OPM. In mid-September they did not get been put into effect and not a single aluminum goods plant was working on defense orders.

"When the government finds it necessary to take the property of citizens for defense of the nation, it is customary to indemnify the owners. Any priorities which put a going business worthless and destroy jobs they deprive both employers and workers of tremendous property rights that are in reality most valuable property.

"Reparations can be made by allocating defense contracts to replace the civilian orders that formerly maintained the plants. Labor demands that this course be followed as a matter of fundamental justice."

Success of Union Label Hailed As Department Meets In Seattle

Seattle, Wash.—Hailing the most successful year in the history of the Union Label, the officers and delegates to the annual convention of the Union Label Trades Department are preparing to consider even more ambitious plans for the future.

Expanding the use of radio programs, exhibits and educational films to make every purchaser in the nation a booster for union goods was projected for the coming year.

President Matthew Woll and Secretary-Treasurer John Dunlop reported continual growth in the great army of union label consumers and in the number of manufacturers who display the union label on their product. Activities also include extended in the use of union shopcards and union buttons to publicize union services.

William Green, President of the American Federation of Labor, will deliver his annual address to the Union Label Trades Convention on his arrival here and many other distinguished union leaders have accepted invitations to speak.

A special feature of the convention is the large representation of women's auxiliaries which have been organized in local unions throughout the nation. Thirty-four certificates for new women's auxiliaries were issued in the past year.

A move will be made before the convention closes to increase the departments activities so its work can be expanded.

Poletti Hits Race Discrimination In Defense Employment

Albany, N. Y.—Racial discrimination in the employment of workers in national defense industries was denounced as sabotage by Lieutenant Governor Charles A. Poletti. Such discrimination was prohibited by law, he warned, and the law "must be obeyed."

"With all this terrific amount of work being done to increase the tempo of our industrial defense program," he said, "with labor and employers mediating so as not to tie up production, there is one committee that cannot be made, and that is race prejudice with its attendant discriminations.

"The State Defense Council and the Labor Department will resist any compromise.

"We, the strongest nation in the world, must not allow ourselves to be weakened by the virus of anti-Jewish propaganda.

"Another detriment to our national defense effort, which no thinking person can fail to realize, is the discrimination involving the Negro unit of our population—Americans who are eager and able to give concrete expression to their patriotism."

He criticized Charles A. Lindbergh and Senator Gerald P. Nye of North Dakota "and others of their ilk" for "racial and religious attacks" and said that "nothing is more reprehensible or more calculated to create class hatred than expressions by alleged leaders of American thought of definite bigotry and discrimination."

JUDGE SEARS DEMANDS BRIDGES' DEPORTATION

Washington, D. C.—Deportation of Harry R. Bridges, West Coast CIO director, was recommended by Judge Charles B. Sears, Special Justice Department Examiner, on the basis of an eleven-week hearing in San Francisco which ended June 12. The recommendation was made on the ground that Bridges, a native of Australia, has been affiliated with the Communist Party "which advocates the overthrow by force and violence" of the United States Government.

The findings by Judge Sears constitute the first official administrative interpretation of the law passed by Congress last year which makes deportable any alien who has ever been members of a subversive organization. The report was the latest in a series of deportation moves against Bridges, who, in addition to being a director of the CIO in California, is a member of the CIO national executive board and president of its International Longshoremen's and Warehousemen's Union.

Judge Sears' 185-page report cited testimony from documentary and oral evidence at the hearing which, he found, "establishes that the Communist Party of the United States believes in, advises, advocates and teaches the overthrow by force and violence, of the Government of the United States within the terms of the statute relating to the deportation of aliens."

He also cited evidence of what he termed the Communist "policy of hypocracy and deceit" under which he said "party members are instructed not only to conceal their membership but also to deny it when expedient."

News Briefs

GOVERNOR JAMES RAISES STATE EMPLOYES WAGES

Governor Arthur H. James of Pennsylvania has added 16½ cents a day to the wages of 35,000 lowest paid employes of the State government. The increase boosted the pay of employes receiving $1,020 a year to $1,080. Hourly and per diem workers also raised benefits as much, from 52 cents to 55 cents.

The Governor's office said that annual increases included in the 35,000 affected by the order are 9,000 full-time workers, mostly female stenographers and clerks, and about 10,000 per diem and hourly workers. The remaining 16,000 are employed in State institutions where maintenance is included in their salaries.

LONGSHOREMEN'S UNION WINS INCREASED WAGES

New York, N. Y.—The International Longshoremen's Association, AFL affiliate, and operators of deep sea shipping reached terms for a new working agreement calling for an increase in the hourly wage for dock workers of 10 cents an hour, or overtime rate of 15 cents, Joseph P. Ryan, president of the ILA, announced.

The new scale for longshoremen will be $1.20 per hour with the overtime pay at 15 cents an hour. Checkers' wages will be increased from $8.50 to $9.25 per day. Mr. Ryan said the new contracts would affect 50,000 longshoremen in ports from Portland, Me., to Hampton Roads, Va.

JOHN L. LEWIS BOOED BY STRIKING MINERS

Hasleton, Pa.—The name of John L. Lewis, president of the United Mine Workers, was booed by more than 3,000 of his revolting constituents in District 7 where every anthracite working face was idle in protest a rebellion of the rank and file against increased dues and assessments.

The booing occurred at a mass meeting in near-by Audenried, where the insurgents were cheered by reports that District 7 once again had been closed down with 20,000 miners out and that about 7,000 in District 1 had stopped work.

Charles Medd, a member of the committee sent by the insurgents to see Mr. Lewis in Washington, charged that the union was being turned into a "racket" and Peter Conchy, another member, reported that Mr. Lewis charged with the conference without hearing the case of the complainants.

TWO MINIMUM WAGE ORDERS AFFECT 211,000 WORKERS

Washington, D. C.—Wage Administrator Philip B. Fleming approved the establishment of minimum wage rates of 35 cents an hour in the lumber industry and 40 cents an hour in the cotton textile industry, effective November 3, in accordance with the recommendations of industry committees following an exhaustive inquiry.

A total of 168,000 workers in the lumber industry and 43,000 in the textiles industry, APL and CIO alike, are increases. Most of the 211,000 employes involved are in the South. The orders were issued on the authority of the Federal Fair Labor Standards Act.

GARMENT WORKERS WIN PAY BOOST IN NEW PACT

New York, N. Y.—Twelve thousand members of the Undergarment and Negligee Workers Union, of the International Ladies' Garment Workers' Union, AFL affiliate, are now working under a new agreement granting a ten per cent increase in wages and vacations with pay, Samuel Shore, manager of the union, announced. It was estimated that the wage increase provided by the two-year contract will amount to $750,000 annually.

One week's vacation with pay will be provided by contributions of manufacturers of 3 per cent of their payrolls to a vacation fund to be administered by the union. Other points in the new contract call for upward revision of basic minimums for week and piece workers and inclusion of shipping clerks in the agreement for the first time.

$531,955 BACK WAGES COLLECTED FOR WORKERS

One thousand four hundred and fifty-eight employers in Pennsylvania, Delaware and part of West Virginia paid $531,955.77 during the first eight months of 1941 to 25,517 employes in back wages and overtime which the Wage and Hour Division of the U. S. Department of Labor found was due them under the Federal Fair Labor Standards Act, Frank J. C. Dorsey, regional director of the Wage and Hour Division for that area, reported. For the month of August, nearly $100,000 was paid to 3,685 employes.

AFL Convention Awaits Keynote By Green And Message From F. D. R.

Delegates Arriving at Seattle Report Membership Booming, Wages Going Up In All Sections

Seattle, Wash.—Delegates arriving here from every section of the United States for the sixty-first annual convention of the American Federation of Labor unanimously expressed their determination to do their utmost for the advancement of the national defense program.

They awaited with keen interest the keynote address of President William Green and a special message to the convention from President Franklin D. Roosevelt to point out the way labor can be of greater service in the defense drive.

In the spacious lobby of the Olympic Hotel, which will be the convention headquarters for the next two weeks, and in the corridors of Eagles Hall, where the convention sessions will be held, groups of delegates exchanged reports about union progress in their respective communities.

From all sides came encouraging news that union membership is increasing by leaps and bounds. Shops that have held out against organization for many years are rapidly being swept into union ranks and many hitherto unorganized industries are going union one by one, the delegates said.

These local gains were reflected in the nation-wide membership report by Secretary-Treasurer George Meany, which showed the total dues-paid membership of the American Federation of Labor has risen to an all-time high of 4,569,056, representing a gain of 221,612 new members in the past year.

More good news came in the form of reports of widespread wage increases affecting millions of workers throughout the country. With unemployment sharply reduced by defense production and with overtime pay swelling weekly pay envelopes, the delegates declared that union members have not been so well off for a long time.

Nevertheless, from many quarters came expressions of concern over rapidly rising living costs and the danger of even more serious inflation which threatens to wipe out the gains of the workers.

Fears also were voiced that many non-defense industries may have to curtail production or close down entirely because of lack of essential materials. The feeling was strong that definite measures must be taken soon to avoid the threat of defense unemployment resulting from the diversion of materials to defense production through priorities and allocations. This view was especially noticeable among delegates from the smaller industrial communities which depend almost entirely on the operations of one or two local factories.

Things are booming in the newly expanded defense towns to such an extent, delegates declared, that workers can't find homes for themselves and their families. The shortage of defense housing is particularly acute in remote areas where thousands of workers have been imported for jobs in newly-constructed defense plants.

Many of the delegates arrived here a week ahead of the A. F. of L. convention in order to attend the three departmental conventions. These certain-raisers to the annual Congress of Labor were particularly important this year because of the need of forging policies to meet the crisis of defense program. The Metal Trades Department convention opened first and was followed by the annual meetings of the Building and Construction Trades Department and the Union Label Trades Department.

Frey Reports Gains In Metal Trades; Hillman To Address Building Unions

Praises AFL Role In Defense and Condemns CIO Tactics

Seattle, Wash.—Wide progress in organizing new members, in securing higher pay and in obtaining improved conditions of labor was reported by President John P. Frey at the opening session of the annual Metal Trades Department convention here.

In shipyards, in airplane plants and in metal trades generally throughout the nation, union workers affiliated with the Metal Trades Department are giving official declarations of policy banning strikes in defense industries and the negotiation of stabilization pacts in the various zones of the shipbuilding industry.

Mr. Frey sharply condemned the CIO and its methods. He declared:

"A particularly aggravating CIO tactic has been to secure a handful of members in a plant, call these out on strike, and then establish a professional picket line preventing our members from going to work, or forcing them to undergo every indignity the professional picketers could inflict.

"In every manner which can be conceived by the leaders or by their legal counsel the CIO has attempted to harass our members and confuse or intimidate employers."

Mr. Frey warned of the threat of defense unemployment due to priorities and urged that all local Metal Trades Councils appoint committees to work with similar groups appointed by Central Labor Councils by direction of the American Federation of Labor in order to help solve this problem.

Recognizing that shortages of skilled workers in the defense program had failed to materialize, Mr. Frey credited the trade unions affiliated with the Metal Trades Department with having "to provide adequate labor supply by bringing to jobs skilled mechanics who had dropped out of their trades for various reasons."

Mr. Frey devoted a large portion of his report to a review of the shocking about-faces in the Communist party line and the Communist threat to trade unionism.

Now that Soviet Russia has been attacked and invaded by Nazi Germany it is in the interest of America to provide Russia with defense aid, Mr. Frey said. But he warned that a victory for Stalin which would make him master of Europe would be just as dangerous to democracy as a victory for Hitler.

"If we are to remain a truly American trade union movement," Mr. Frey concluded, "it must be our fixed purpose to eliminate Communists from our ranks and to continually expose their treacherous and subversive activities."

Appearance of CIO Leader At Convention Stirs Talk

Seattle, Wash.—Dramatic announcement that Sidney Hillman, assistant director of OPM, would address the opening session of the annual convention of the Building and Construction Trades Department served to intensify interest in this conclave.

Hillman, the head of the CIO Amalgamated Clothing Workers Union, has cooperated closely with the building trades unions in his official capacity in the defense program. From the beginning he refused to recognize the CIO United Construction Workers, a paper union which tried to cut in on the long-established A. F. of L. field.

Although Hillman is still frankly distrusted in some A. F. of L. quarters, the Building and Construction Trades Department decided to recognize his cooperation and invited him to speak at the convention.

The effect of Hillman's acceptance of this invitation on his future status in the CIO occasioned a great deal of talk among the delegates. Hillman has openly fought John L. Lewis on many issues within the CIO, especially with regard to politics and Communism. Lewis broke with Roosevelt the latter came out against Roosevelt and began an anti-Communist drive within the CIO at the behest of the Stalin-Hitler pact.

Many delegates here believed that Lewis would never forgive Hillman for coming here and turning the cold shoulder on the United Construction Workers which is headed by his younger brother, Denny Lewis.

In his annual report to the convention, President John P. Coyne is expected to emphasize the importance of the labor field. Hillman, in his official position as twin head of the OPM, helped in the negotiation of this pact which gives the A. F. of L. unions a virtual closed shop on all defense construction projects. Many other government officials have been invited to address the convention and give the delegates their views on how labor can help promote the defense program.

President William Green of the American Federation of Labor is expected to arrive here on the closing day of this departmental convention and deliver a keynote speech to the delegates.

One of the features of the record of the building trades unions during the past year which caused the delegates special gratification was the absence of any large number of strikes on defense projects. War Department figures show that only a fraction of one per cent of building trades workers quit their jobs for any reason. Another notable point of progress, of which the union leaders are proud, was the reduction of jurisdictional strikes to a new low point through the successful operation of the department's machinery for settling disputes.

Gift of Hour's Pay To Aid Workers Fighting Axis Powers Urged by Woll

New York, N. Y.—Matthew Woll, A. F. of L. Vice President and Chairman of the American Labor Committee to Aid British Labor, appealed to "every organized worker in the land" to contribute one hour's pay to help workers in Great Britain or any other country engaged in the fight against the Axis powers.

"Such a contribution by free workers," he stated, "will make the impressive and fitting windup of our 1941 Free Labor Fund Campaign."

Mr. Woll announced a broadening of the policy of the Aid British Labor Committee to meet "the changed war situation," and advised "all labor organizations, all fraternal organizations, and all the friends and sympathizers of organized labor that the committee will now accept contributions for distribution to the workers it offers, to the workers of Belgium, Holland, Norway, France, Czechoslovakia, Luxemburg, Greece, Yugoslavia, Poland, and Russia, in addition to British labor. All donations will be distributed only through the responsible agencies that are functioning in the countries named, and in accordance with America's foreign policy.

"American labor now wishes to extend aid to the workers of all those nations that are fighting the Axis powers," Mr. Woll continued. "By decision of the Executive Board, the American Labor Committee to Aid British Labor, the agency through which organized labor carries on its relief activities, has decided to expand its functions to meet the war economic situation."

In his letter, Mr. Woll enumerated a number of the more recent contributions that have been made by labor organizations whose members have responded or made plans to contribute part of their pay for war relief purposes, listing:

International Ladies' Garment Workers Union—a half day's pay by all members.

The Louisiana State Federation of Labor has appealed to all Louisiana unions for a contribution of two hours' pay plus the sale of Aid British Labor coupon books as part of their campaign for $100,000 to aid British labor.

3. The Painters District Councils Nos. 9, 18, 28, of Greater New York are contributing a full day's pay by working Saturday, September 13.

4. Millinery Workers No. 24 of New York contributed two hours' pay for an estimated total of $10,000.

5. Carpenters Locals, No. 37, St. Paul, and No. 38, Minneapolis, Minn., two hours' pay. International Workers of Garment Workers Union workers in Henderson, Kentucky, a half day's work to manufacture 2,400 garments for British children.

Mr. Woll set a tentative Day, Nov. 11, as the date when all contributions should be turned in to the committee, but added in mind," he stated, "winter is approaching and thousands upon thousands of workers abroad are homeless. They face grim days of bitter cold, cold winter nights filled with bombing horrors and fresh terrorism. "It is a privilege," he concluded, "for us to share their hardships and their sufferings and to help them as we can contributing to their courage and determination by this demonstration of our wholehearted support of them."